

IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE K.BALAKRISHNAN NAIR

THURSDAY, THE 8TH MARCH 2007 / 17TH PHALGUNA 1928

WP(C).No. 4378 of 2007(U)

PETITIONER:

**P.S. GRANITE INDUSTRIES,
PAYASSAI, IRRIKKUR, REPRESENTED BY THE
MANAGING PARTNER, K.ABOOBACKER SIDDIQUE,
SON OF KAMALKUTTY, PAYASSAI, IRRIKKUR.**

**BY ADV. SRI.P.V.BABY,
SRI.A.N.SANTHOSH.**

RESPONDENTS:

- 1. KERALA FINANCE CORPORATION,
REPRESENTED BY MANAGING DIRECTOR, VELLAYAMBALAM,
THIRUVANANTHAPURAM.**
- 2. MANAGER,
BRANCH OFFICE OF KERALA FINANCE CORPORATION,
CHANDROTH COMPLEX, NETHAJI ROAD, KANNUR.**
- 3. STATE OF KERALA,
REPRESENTED BY THE SECRETARY TO FINANCE DEPARTMENT
SECRETARIAT, THIRUVANANTHAPURAM.**

**BY GOVT. PLEADER SMT. N. SUDHADEVI,
ADV. SRI. V.B. UNNIRAJ, SC, KFC.**

**THIS WRIT PETITION (CIVIL) HAVING COME UP FOR ADMISSION
ON 08/03/2007, THE COURT ON THE SAME DAY DELIVERED THE
FOLLOWING:**

K.BALAKRISHNAN NAIR, J.

W.P.(C).No.4378 of 2007-U

Dated this the 8th day of March, 2007

JUDGMENT

The petitioner is a partnership firm. It availed a loan from the K.F.C. for establishing a granite polishing unit. Owing to financial difficulties it could not pay the instalments due to the K.F.C. So, the K.F.C. moved revenue recovery machinery and the Deputy Tahsildar (RR) has attached and seized the unit on 9-5-2005. Now, as per Ext.P5 it is notified for sale also. In the above background this writ petition is filed. The petitioner would point out that though they have availed a loan of Rs.11.25 lakhs, now they have already paid Rs.15 lakhs. The amount outstanding as on 1-8-2006 as per the computation of the K.F.C. is Rs.27,73,000/-. The petitioner prays for a direction to the respondents to close the loan account under the O.T.S. Scheme

2. The learned Standing Counsel for the K.F.C. submitted that if the petitioner pays one-tenth of the amount outstanding and makes an application with reasonable offer, the K.F.C. will consider allowing the petitioner to close the loan account under the O.T.S. Scheme. It is also submitted that if the petitioner pays at least one-third of the

amount outstanding the unit would be handed over to the petitioner, so that it can be operated.

3. I heard the learned counsel on both sides. If the petitioner pays Rs.2.8 lakhs on or before 31-3-2007, the competent authority of the first respondent K.F.C. will consider the claim of the petitioner for O.T.S. facility. While paying the amount, the petitioner shall make its offer for closing the loan account under the scheme. If the proposal of the petitioner is not acceptable to the K.F.C., it shall inform the petitioner the minimum amount for which the loan account could be closed. If the petitioner pays one-third of the amount, the unit shall be handed over to it, in accordance with law subject to the usual conditions.

The Writ Petition is disposed of as above.

K.BALAKRISHNAN NAIR, JUDGE.

MS